

Approved For Release 2000/08/25 : CIA-RDP57-00042A000200120025-8
Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Organization and Methods Service
Attn: [REDACTED]

FROM : Acting Chief, P&C Staff, Office of Operations

DATE: 25 September 1953

STATINTL

SUBJECT: Survey of Punch Card Equipment, Bookkeeping Machines and Electronic Computers by the General Accounting Office

REF. : Memorandum dated 9 September 1953 from ADD/A, same subject

In compliance with referenced memorandum, forwarded is report of subject equipment in Contact Division, the only component of the Office of Operations utilizing the machinery now under survey by the Acting Comptroller General of the United States.

[REDACTED] STATINTL

1 Enclosure:

List of equipment, Contact Div.,
Index Branch; Appropriation 4-4201-20

Organizational Unit: 00/Contact Division, Index Branch

Appropriation : 4-4201-20

Units of Equipment - Rented (none owned) 30 June 1953

Trade Name:	Description:	No. of Units :	Percent of Utilization F. Y. 1953 :	Annual Rental :
IBM	024	2	66%	\$ 840.00
IBM	056	2	62%	1080.00
IBM	075 <i>Sorter</i>	1	79%	600.00
IBM	077	1	81%	1290.00
IBM	082	1	74%	720.00
IBM	403 <i>Dist. Mach.</i>	1	85%	5940.00
IBM	514	1	75%	1320.00
IBM	552	1	61%	900.00
TOTAL		10 (av)	73%	\$12690.00

Operating Data - 1953 Fiscal Year

	Man Years	Amount
Analysis of Contract Services : Operating Personnel	6	\$21,180.00
: Supporting Personnel	5	20,095.00
: Other Personnel	1	5,940.00
Total	12	\$47,215.00
: Machine Rental	xx	\$12,690.00
: Card & Paper Supplies	xx (est)	3,875.00
: Contract Services	xx	0.00
Total		\$16,565.00

Functions Performed:

Machine Records Section:

1. Prepares, maintains and processes a machine index, classified by subject and area, which reflects the reported capabilities of domestic sources for producing intelligence information. This machine index provides a means of rapidly screening sources on a highly selective basis for those that can best respond to the intelligence requirements served on Contact Division.
2. Maintains the above and other related files for the purpose of providing reports and machine studies. Numerous approaches can be made to the files which permit studies on field operations; headquarters operations; type and quality of sources and reports; Division coverage by subject and area; and others.

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II. Narrative Supplement

A. Special Factors

Factors considered peculiar to our installation relate directly to the nature of the Contact Division mission. The machine index is used daily by the various operating branches and field offices of the Division and therefore must be geared to ever-changing requirements. This means that the classification, coding, and machining procedures must be under constant surveillance so that any inadequacies can be detected and corrected.

B. Management Controls

1. The Index Branch/Machine Section provides internal service to Contact Division only. Authorization to undertake new jobs or discontinue existing ones is received from the Chief, Contact Division.
2. There are no standardized procedures available to us that would be applicable to our installation.
3. Daily records of machine utilization are maintained which show the percentage of time each machine is in use.
4. Production standards have been established within our own unit. The unique machine application requires special standards.
5. Ordering and releasing of equipment is based on work load and machine utilization. New equipment must be thoroughly justified through proper agency channels. We have no standby equipment.

C. Agency Evaluation

A machine unit is considered the most effective means of accomplishing the job because:

1. An entry to a punched card is made only once. The entry is verified and becomes an operational tool which can be mechanically processed, filed, and extracted with great accuracy and flexibility. Equally important is the speed with which machines can produce the required data.
2. Economies are realized when machine costs are compared to the costs of a comparable manual system. The savings are found in reduced space requirements, less personnel, and time saved.

D. Discussion of Possibilities for Economy through Consolidation of Installations

1. Contact Division is responsible for protecting its intelligence sources. This is accomplished by preventing unauthorized source disclosure to anyone outside of the division. Consolidation of our machine section with another installation would jeopardize source protection.
2. Our overall machine utilization is 73%. This is considered to be above average.

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III. Analysis of Machines Not in Use

We have no machines not in use.

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UNITED STATES GOVERNMENT

TO : Chief, Organization and Methods Service
ATTENTION : [REDACTED]

DATE: 25 September 1953

STATINTL

FROM : Chief, General Services Office

SUBJECT: Survey of Punch Card Equipment, Bookkeeping Machines and
Electronic Computers by the General Accounting Office

1. In accordance with a memorandum from the Acting Deputy
Director (Administration) dated 9 September 1953, there is
attached a report of electrical business machines installed in
the Machine Records Branch of this office.

2. Any questions with respect to this report should be
referred to [REDACTED] Chief, Records Services
Division.

STATINTL

Attachment
Report of Electrical
Business Machines

GSO/RSD/LGC:ew

Distribution:

Orig. & 3 - Addressee
1 - [REDACTED]
2 - Gen. Ser.

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INSTALLATION
REPORT

Electrical Business Machines Survey
for House Appropriations Committee

General Services Office
Central Intelligence Agency

Washington, D. C.
Allotment Account 6618

Units of Equipment - Rented or Owned - June 30, 1953

Trade Name:	Description:	No. of Units	Per Cent Utilized	Annual Rental
IBM	*024	20 (10)	61	\$8700
	031	1	70	300
	056	10 (5)	56	5700
	077	6	58	6240
	089	2	52	5280
	082	9	55	6480
	**285	1	20	1440
	402	2	65	12360
	403	3 (10)	54	21420
	407	4	63	38400
	514	5	54	7080
	**551	1	10	600
	552	3	53	2700
	602A	2 (10)	32	5880
	954	1 (10)	10	300
				\$122880
Total :		70	Fed. Exc. Tax 10%	12288
				\$135168

- * Includes 1 machine used exclusively by U.S. Treasury Disbursing Office.
** This equipment acquired for exclusive use of U.S. Treasury Disbursing Office and is specialized to the extent that it cannot be utilized for any other purpose.

Note: 760 hours of overtime averaged monthly for which no overtime rental was paid.

Operating Data 1953 Fiscal Year

Operating Personnel	Man Yrs.	Amount
Supporting Personnel	35	\$138,942
Other Personnel	6	22,285
TOTAL	10	54,290
	51	\$215,517
Machine Rental		\$137,749.19
Card and Paper Supplies		24,657.
Contract Services		XXX
TOTAL		\$162,406.19

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Planned Expansion or Reduction in F.Y. 1954:

Equipment Reduction		Equipment Expansion	
No. of Units	Description	No. of Units	Description
6	024	1	407
3	056		
1	602A		
1	954		
1	403		

Functions Performed:

Supplies accounting and statistical tabulating service to administrative and selected operational Agency activities; Collaborates with representatives of these activities in conducting studies of reporting problems and of new and existing procedures to determine the feasibility of machine application. Develops and writes detailed machine operating procedures. Designs schedules, codes, operating techniques and reporting forms. Evaluates machine methods cost in comparison with manual methods cost.

This organizational unit performs a considerable volume of work of a repetitive nature, in the form of reports, statistics and record keeping which would be more costly to compile by other methods. Its principal activities are in the following areas:

Personnel - Thirty-three repetitive reports are prepared each month, dealing with such agency personnel data as qualifications of employees; strength of major organizational units; rate of personnel turnover; qualifications of applicants; and various other statistical data required for planning and developing an overall personnel program. See Exhibit B for list of records from which reports are prepared.

Fiscal and Finance - Prepares agency payrolls; compiles 181 repetitive reports each month dealing with the fiscal and financial requirements of the agency including such items as: individual earnings records, object class accounting, financial accounting of property and cost accounting. See Exhibit B for list of principal areas in which reports are prepared.

Property, Supplies, Equipment and Services - Records of receipts and issues of stock supplies and equipment: stock status; analyses of purchases; and evaluation of domestic stocks. Stock requirements for projects. See Exhibit B for list of principal areas in which reports are prepared.

Special Services - Records of identification badges issued. Progress of suitability and other investigations. Projects developed for operating offices to meet the requirements of their respective organizational units. Some of the principal requirements in this area are shown in Exhibit B.

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The relative distribution of time among the functional activities listed on the preceding page is as follows:

Personnel	28%
Fiscal & Finance	37%
Property - Supplies - Equipment	21%
Special Services	14%

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EXHIBIT B

Types of Punched Card Records Maintained

PERSONNEL

Employee Status
Employee Qualifications
Applicant Qualifications
Personnel Evaluation
Military Status
Security Clearances
Position Control
Vital Materials

FISCAL AND FINANCE

Unvouchered Payroll:

Payroll Preparation and Checks
Roster of Personnel on Payrolls
Withholding Tax Statements (W-2)
Balancing of Bank Statements
Reconciliation of Checks
Retirement Schedule
Individual Earnings
Station Expenses
Paid at Station
Hospital and Insurance Deductions
Personnel Budget (Division and Station)
Journal
Credit Union
Other Deductions
Vital Materials

Vouchered Payroll:

Time and Attendance Report and Payroll
Change Slips
Employee Notice of Additional Compensation
Transfer
Termination
Leave Utilization and Additional Compensation

Financial Accounting:

Voucher Register
Distribution Journal
Expense Journal
Status of Allotments
Expenditures by Objective Classification
Unexpended Allotments
Project Expenditures by Object Classification

Financial Accounting: (Cont'd)

Detail Obligation and Allotment Status
Agent Cashier's Accounts
Accountability of Unvouchered Funds
Insurance
Accrued Compensation
Advances to Agency Personnel
Financial Accounting of Property
Accounts Payable

PROPERTY, SUPPLIES, EQUIPMENT
AND SERVICES

Stock Transactions
Stock Status
Receipts
Stock Due In and Due Out
Issues
Acquisition Difference
Stock in Transit
Property in Use
Cost of Issues by Project
Accounts Payable
Vital Materials

SPECIAL SERVICES

Logistics:

Logistic Requirements
Stock Catalog

Communications:

Lists of Equipment and Component Parts

Training:

Test Studies (Validity Studies and Interest Correlation)

Credit Union:

Accounting and Auditing

General Services:

Locator Information File

Group Hospitalization

Personnel Office:

Tables of Organization

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SPECIAL SERVICES (Cont'd)

Deputy Director of Plans

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II. Narrative Supplement

A. Special Factors

Coordination of procurement of equipment and personnel is difficult because of length of time involved in security check of personnel and uncertainty of obtaining security clearance.

B. Management Controls

Each request for machine service is coordinated with authorized representatives of the originating office and other offices which may be involved.

After advance technical advice is obtained from the Machine Records Branch, the Requesting Office submits a written request on "Machine Records Project Work Order", Form No. 36-135 thru Chief, General Services Office. Request includes: Brief description of project; Function and Purpose; Justification for Machine methods; Manual methods cost; Machine methods cost. See Exhibit C.

Operating procedures have been established on all recurring reports.

Utilization data is obtained by use of Machine Utilization reports for each piece of equipment. These are used to prepare necessary machine utilization statistics.

Production standards have not been established for all operations due to the diversified nature of work.

Equipment is ordered and released in accordance with actual and estimated work load requirements and the advantages offered by use of new and more modern equipment and special devices.

Machines discontinued or declared excess from January 1, 1953 through June 30, 1953:

	<u>No of Units</u>	<u>Description</u>
	3	031
	4	056
	1	089
	1	402
	1	514
	1	552
Total	<u>11</u>	

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The use of electrical accounting machines to perform services for the Agency is considered on the basis that they are modern tools of management which if properly applied, will reduce costs, expedite action and produce information not otherwise available.

One of the principal criteria used in evaluating each potential project is whether the basic data to be included in the punched card can be used for other purposes. Other factors, such as volume of work, need for speed in attaining the objective, and accuracy of end results, are also considered important.

Over three hundred repetitive reports are prepared each month to assist top management in planning and carrying out the Agency program. The use of tabulating machine methods has reduced substantially the time formerly required to produce this data. In addition many kinds of data are now produced which was not possible by manual methods.

The use of mechanized procedures have resulted in:

1. Savings in payroll operations.
2. Current stock availability facts.
3. A basis for initiating central procurement action, based on supply demands.
4. Automatic analysis of stock positions for pointing out excesses and other facts for effective stock management.
5. Facilitating Agency accounting operational activities.
6. Furnishing Applicant and Employee Qualification register for expeditious selections for urgent or special assignments and other necessary personnel reports.
7. Current personnel locator information.
8. Reduction of overtime in activities serviced by Machine Records Branch.

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Auxiliary Equipment

<u>No. Units</u>	<u>Description</u>
3	Adding Machines
1	Calculator (Frieden)
1	Burster Imprinter
1	Electromatic Typewriter
1	Paper Cutter
1	Flex-O-Line Cutter

Disbursing Office - U. S. Treasury Dept. *

1	Microfilm Camera
1	Microfilm Viewer
1	Check Signer
4	Adding Machines

* The equipment utilized by this office is required for the performance of functions related only to the disbursing operations of U. S. Treasury.

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EXHIBIT C

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MACHINE RECORDS PROJECT WORK ORDER

TO: Chief, Machine Records

DATE

FROM:
(Office)

ROOM NO. AND BUILDING

TELEPHONE

1. BRIEF DESCRIPTION OF PROJECT

2. FUNCTION AND PURPOSE OF PROJECT

3. JUSTIFICATION FOR APPLICATION OF PUNCHED CARD METHODS

4. OTHER DIVISIONS OR OFFICES CONCERNED WITH SUBJECT MATTER

5. STARTING AND COMPLETION DATES REQUESTED

6. ESTIMATED COST TO PREPARE PROJECT BY OTHER THAN PUNCHED CARD METHODS

7. WILL THIS BE A RECURRENT REPORT? IF SO, INDICATE DATE REQUESTED

Signature

Telephone

FORM NO. 36-135
JAN 1953~~SECRET~~
Security Information

(28)

IS SIDE FOR MACHINE RECORDS BRANCH USE

1. PLANNER'S NAME

2. ESTIMATED CARD VOLUME, MACHINE HOURS, AND COST BY MACHINE TYPE

MACHINE TYPE	VOLUME		HOURS		COST	
	EST.	ACTUAL	EST.	ACTUAL	EST.	ACTUAL
KEY PUNCH						
VERIFIER						
COLLATOR						
SORTER						
TABULATOR						
REPRODUCER						
INTERPRETER						
CALCULATOR						
FACSIMILE POSTING						
CLERICAL						
BINDING AND REVIEW						
PLANNING TIME						
CARDS						
PAPER						
TOTAL						

3. SUGGESTED SCHEDULING TO MEET DUE DATE

4. CHIEF PLANNER COMMENTS

APPROVED ☐ DISAPPROVED ☐ DATE _____

5. JOB TITLE

6. JOB. NO.

7. DATE OF NOTICE TO REQUESTING AGENCY (Remarks on changes, etc.)

Approved - Machine Records Branch